

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

In the Matter of )  
 ) CC Docket No. 95-116  
Telephone Number Portability )

**GTE's REQUEST FOR ADJUSTMENT  
OF WIRELINE DEADLINES**

GTE Service Corporation and its affiliated domestic telephone operating companies ("GTE"), in light of the inability of a critically important industry vendor, Perot Systems Corporation ("Perot"), to carry out its contractual commitments, asks for the deadlines discussed *infra* to be appropriately realigned in the Southeast, West Coast, and Western regions.

**INTRODUCTION AND SUMMARY**

1. In paragraph 85 of the First Report and Order and Further Notice of Proposed Rulemaking in this CC Docket No. 95-116 ("D.95-116"), 11 FCC 2d 8352, 8397 (1996), the Commission "delegate[d] to the Chief, Common Carrier Bureau, the authority to waive or stay any of the dates in the implementation schedule, as the Chief determines is necessary to ensure the efficient development of number portability, for a period not to exceed 9 months (i.e., no later than September 30, 1999)." Paragraph 85 adds:

In the event a carrier is unable to meet our deadlines for implementing a long-term portability method, it may file with the Commission, at least 60 days in advance of the deadline, a petition to extend the time by which implementation in its network will be completed.

Further, Paragraph 85 says: "We emphasize, however, that carriers are expected to meet the prescribed deadlines, and a carrier seeking relief must present extraordinary circumstances beyond its control in order to obtain an extension of time." It adds:

A carrier seeking such relief must demonstrate through substantial, credible evidence the basis for its contention that it is unable to comply with our deployment schedule. Such requests must set forth: (1) the facts that demonstrate why the carrier is unable to meet our deployment schedule; (2) a detailed explanation of the activities that the carrier has undertaken to meet the implementation schedule prior to requesting an extension of time; (3) an identification of the particular switches for which the extension is requested; (4) the time within which the carrier will complete deployment in the affected switches; and (5) a proposed schedule with milestones for meeting the deployment date.

2. Issued in D.95-116 on January 24, 1998, was an Order by the Chief, Network Services Division.<sup>1</sup> This, the *January Order*, reflected the recommendations of North America Numbering Council ("NANC"), discussed *infra*, and said the Bureau "accept[s] NANC's recommendation and will allow affected carriers in the Southeast, West Coast, and Western regions until March 1, 1998 to file any necessary petitions for waiver of the Commission's rules requiring implementation of permanent local number portability in the top 100 Metropolitan Statistical Areas (MSAs)."<sup>2</sup>

3. Accordingly, GTE asks the FCC to make an appropriate realignment of deadlines as set out in detail *infra*.

---

<sup>1</sup> D.95-116, Order by the Chief, Network Services Division, 1998 FCC LEXIS 328 (rel. January 28, 1998) (the "*January Order*").

<sup>2</sup> Since March 1 is a Sunday, the deadline is March 2, 1998.

## DISCUSSION

- I. **In light of the inability of a major systems vendor (Perot) to meet its contractual commitments, GTE in the Southeast, West Coast, and Western regions will be unable to meet the March 31 deadline for Phase I, as well as subsequent Phase deadlines.**

- A. **The facts that demonstrate why GTE is unable to meet the March 31 deadline are as follows:**

1. The Number Portability Administration Center/Service Management System ("NPAC/SMS") database and associated support facilities needed for long term Local Number Portability ("LNP") cannot be made fully operational in time to meet the FCC-mandated implementation schedule in three regions.<sup>3</sup> Specifically, the delay caused by Perot, the original NPAC/SMS vendor for the Southeast, West Coast and Western regions, and its inability to meet commitments under the Master Contracts with the Limited Liability Companies ("LLCs") of those regions would have meant inter-service provider testing could not have begun before July 6, 1998.<sup>4</sup> Thus, the LLCs decided, with no opposition vote of any member, to terminate Perot's Master Contracts and to enter into new Master Contracts with Lockheed Martin IMS ("Lockheed"). Accordingly, GTE and other local service providers terminated their interconnection arrangements with Perot and established interconnection with Lockheed for each of the three regions.

---

<sup>3</sup> Already on file with the Commission in this D.95-116 is a letter to the Chief of the Common Carrier Bureau dated January 23, 1996 from Richard Scheer, Chair, West Coast Portability Services, LLC (the "*Sheer Letter*"). This Request draws on the facts stated in the *Scheer Letter*.

<sup>4</sup> For more precise identification of the terminology here being used, see the *Scheer Letter* at 3 n. 6.

2. To accommodate the three additional regions, Lockheed must successfully complete a series of contractually required tests with local service providers before the LLCs can pronounce the NPAC/SMS accepted for commercial operation. All these efforts must be completed before the NPAC/SMS is operationally "live." Upon the NPAC/SMS live date, inter-service provider testing will begin between local service providers within each region and, upon the successful completion of inter-service provider testing, implementation of Phase I will commence. Lockheed has provided schedules for all these tasks which result in an NPAC/SMS live date beyond the Commission's current Phase I completion date of March 31, 1998.

**B. The activities GTE has undertaken to meet the March 31 deadline include the following:**

1. GTE has been an active participant in industry efforts to assure an NPAC/SMS delivery that meets the FCC's deployment schedule. Through its membership in the regional LLCs, GTE joined many other local service providers in taking decisive, corrective action when it was apparent that Perot could not meet the original October 1997 commercial availability date and, subsequently, the revised December 1997 commercial availability date.

2. During the pertinent phases of NPAC/SMS development by Perot, GTE worked diligently to develop test plans, and to complete testing preparations required for acceptance of an operational system. GTE employed several strategies to expedite its preparations, including the retention of a testing consultant and observance of initial testing conducted by other local service providers.

3. GTE continues its work within the LLCs, before the various LNP industry forums and with state regulators to select and schedule individual switches for

graduated deployment of LNP within its Phase I MSAs, as well as MSAs of the subsequent four Phases.

**C. The particular switches for which the extension is requested are shown in Exhibit I.**

A complete list of all selected switches within the Southeast, West Coast and Western regions, *i.e.*, those switches for which LNP has been requested according to the Commission's guidelines, is attached as Exhibit I. Switches are shown by name, Common Language Location Identifier ("CLLI") code, MSA and region.

**II. GTE asks the Commission to (1) continue supporting graduated implementation of switches within each Phase, (2) grant a realignment of all five implementation Phases, and (3) allow an appropriate interval for initial inter-service provider testing with the Regional Bell Operating Companies and other service providers prior to the start of Phase I.**

**A. The time within which GTE will complete deployment in the affected switches is set out *infra*:**

1. GTE fully agrees with the Commission's stated position that network reliability is "of paramount importance"<sup>5</sup> during the implementation of LNP. Therefore, GTE seeks to continue minimizing the risk of network congestion or failure by maintaining a graduated implementation schedule for the selected switches within each MSA.

2. Under graduated implementation, either clusters of switches or individual switches are implemented on a staggered basis throughout a Phase. Graduated implementation allows GTE to identify unexpected switch, network, signaling or provisioning process problems early in the initial Phase(s) and to undertake problem

---

<sup>5</sup> D.95-116 First Memorandum Opinion and Order on Reconsideration, 12 FCC Rcd 7236, 7285 (1997) (the "*First Memorandum*").

resolution prior to Phase expiration. The Commission undoubtedly appreciated the need for such precaution when it suggested that local service providers “implement number portability more gradually,”<sup>6</sup> rather than wait until the end of a Phase and “flash cut” all switches on one date. A graduated implementation schedule will also allow GTE to manage normal customer ordering and provisioning service levels while processing new orders from the competitive local service providers and expeditiously moving customers from current Interim Number Portability (“INP”) service to the new database LNP.

3. GTE asks the Commission to realign the implementation schedule for the three regions, removing the overlapping of deployment in Phases I, II and III. While implementation in the MidAtlantic, Midwest and Southwest regions continues on the Commission’s revised schedule set forth in the *First Memorandum*, the three former Perot regions are now facing full implementation in a period less than half that originally intended. Indeed, Phase I and Phase II implementation in the former Perot regions cannot commence until well into the Phase III period.

4. The resulting simultaneous overlapping and compression of the Phases will strain GTE’s testing and implementation resources, pose potential problems to order processing and provisioning systems, and threaten compromise of network reliability with a flood of new signaling messages appearing virtually overnight. Although overlapping of Phases between former Perot regions and the other regions cannot be avoided, the potential for problems can be alleviated by removing the

---

<sup>6</sup> *Id.*, 12 FCC Rcd at 7284.

overlapping of Phases within the former Perot regions. A graphic representation of overlapping Phases and GTE's proposal to relieve the risk of potential problems through a schedule realignment is shown in Exhibit 2.

5. The initial implementation of Phase I must allow for a sufficient period for conducting and successfully completing inter-service provider testing under live network and order processing conditions. Because inter-service provider testing allows competing local service providers to actually port test numbers in a live order processing and network environment, until this stage is reached live processing is not feasible. Further, the Commission has recognized that "initial implementation of this new technology is likely to involve more extensive testing, and may require extra time to resolve any problems which may arise during the testing."<sup>7</sup>

6. GTE suggests that the Commission should not assume that delays in implementation will provide additional time to identify and correct unexpected problems. The delays in the Southeast, West Coast and Western regions have directly resulted from a vendor's inability to complete its development in a specified timeframe and have, to the contrary, held at bay virtually all of the important testing GTE must complete between itself, the Regional Bell Operating Companies ("RBOCs") and other competitive local service providers. At a minimum, GTE's inter-service provider testing should be completed with each respective RBOC because of the numerous network interdependencies of the two providers for Custom Local Access Services ("CLASS"), Line Information Data Base ("LIDB") service and other services and functionalities, and

---

<sup>7</sup> First Memorandum, 12 FCC Rcd at 7283

because GTE's largest volume of exchanged local traffic flow is to and from the RBOCs. Inter-service provider testing should also take place with a minimum of one Competitive Local Exchange Carrier ("CLEC") in each region during this initial period, to assure that new entrants can interconnect and operate with GTE's network, systems and processes.

7. There is no better example of the need for a sufficient inter-service provider testing period than that of the Petition for Extension of Time of Southwestern Bell Telephone Company and Pacific Bell filed February 20, 1998 (the "*February 20 Petition*"). In this filing, Southwestern Bell demonstrates how, even within a region that has not experienced vendor replacement, unexpected and last minute "testing defects"<sup>8</sup> can be identified and found to cause large implementation upheavals.

8. In its first major implementation, GTE will convert all its offices in the Los Angeles MSA, one of the most concentrated areas of telecommunications traffic in the World. GTE is seriously concerned that it has not been able to perform testing involving its network under real or simulated peak or even normal conditions for what is arguably the largest single network change ever undertaken by the telecommunications industry. GTE urges the Commission to mitigate the inherent risks of such massive change by adopting GTE's proposed implementation schedule. Given adoption of this schedule, subject to on-time delivery of a fully operational NPAC/SMS by Lockheed in the Southeast, West Coast and Western regions, GTE expects to complete the

---

<sup>8</sup> The *February 20 Petition* at 2.



implementation of all five Phases in accordance with the Commission's original end date of December 31, 1998.

**B. GTE proposes the following schedule and milestones for meeting the deployment date:**

1. GTE will complete deployment in all selected Phase I switches, those of the Los Angeles and Minneapolis MSAs, within 60 calendar days of completing inter-service provider testing with each of the appropriate RBOCs and other local service providers. Accordingly, GTE asks the Commission to approve the following schedule for completion of testing and implementation for Phase I:

NPAC-live (*)	05/11/98
Begin Inter-Service Provider Testing	05/12/98
Complete Inter-Service Provider Testing	06/14/98
Begin Phase I Implementation	06/15/98
Complete Phase I Implementation	08/13/98

Note (\*): The NPAC-live date for the RBOCs as currently proposed by Lockheed Martin IMS. All specified dates are subject to one for one change with any delay by Lockheed Martin IMS to the final NPAC-live date.

2. Further, GTE requests that the Commission realign the additional four implementation Phases to remove the overlapping of implementation and permit graduated deployment, commencing with Phase II upon the completion of Phase I and continuing through Phase V.

Begin Phase II	Upon the completion of Phase I
Complete Phase II	10/02/98 but in any event not less than 50 days after the completion of Phase I
Begin Phase III	Upon the completion of Phase II
Complete Phase III	11/01/98 but in any event not less than 30 days after the completion of Phase II


Begin Phase IV      Upon the completion of Phase III  
Complete Phase IV   12/01/98 but in any event not less than  
                                 30 days after the completion of Phase III

Begin Phase V      Upon the completion of Phase IV  
Complete Phase V   12/31/98 but in any event not less than  
                                 30 days after the completion of Phase IV

Respectfully submitted,

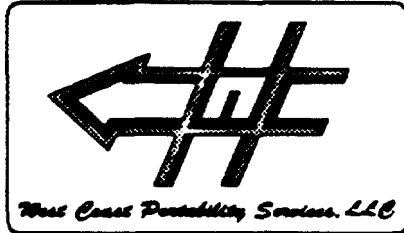
GTE Service Corporation and its affiliated  
domestic telephone operating companies

Richard McKenna, HQE03J36  
GTE Service Corporation  
P.O. Box 152092  
Irving, TX 75015-2092  
(972) 718-6362

By   
Gail L. Polivy  
1850 M Street, N.W.  
Suite 1200  
Washington, DC 20036  
(202) 463-5214

March 2, 1998

Their Attorneys



## **West Coast Portability Services, LLC**

*Richard Scheer, Chair*  
795 Folsom St. Room 285  
San Francisco, CA 94107

January 23, 1998

Mr. A. Richard Metzger  
Chief, Common Carrier Bureau  
Federal Communications Commission  
1919 M Street, NW  
Washington, D.C. 20554

Re: CC Docket 95-116, DA 98-109, Recommendation To Delay Filing of  
47 CFR § 52.3 (E) Waiver Requests by Individual Carriers for Local  
Number Portability Phase 1 Implementation

Deployment of Long-Term Local Number Portability in the Atlanta and  
Los Angeles MSAs

Dear Mr. Metzger:

We are writing on behalf of West Coast Portability Services, LLC and the members thereof<sup>1</sup> and Southeast Region Number Portability Administration Company, LLC and the members thereof<sup>2</sup> (collectively, the Joint LLCs). The members of the Joint LLCs unanimously support the request espoused in this letter.

---

<sup>1</sup> The members of West Coast Portability Services, LLC are AT&T Corp., Cox California Telcom, Inc., Electric Lightwave, Inc., GTE California Incorporated, MCI metro Access Transmission Services, Inc., MediaOne, Pacific Bell, Sprint United Management Company, Teleport Communications Group, Inc., TCI Telephony Services of California, Inc., Time Warner AxS of California, LP and WorldCom.

<sup>2</sup> The members of Southeast Number Portability Administration Company, LLC are AT&T Corp., BellSouth Telecommunications, Inc., Business Telecom, Inc., GTE Florida Incorporated, MCI metro Access Transmission Services, Inc., MediaOne, Sprint United Management Company and WorldCom.

Joint LLCs ask that this letter be treated as Comments on the January 21, 1998 North American Numbering Council (NANC) *"Recommendation To Delay Filing of 47 CFR 52.3 (E) Waiver Requests by Individual Carriers for Local Number Portability Phase 1 Implementation"* as described in the Federal Communications Commission (Commission) Public Notice DA 98-109. Joint LLCs understood, based on discussion at the January 20, 1998 NANC meeting that NANC would make such a request through its Chairman, Mr. Alan Hasselwander. Joint LLC members support the NANC Recommendation, for the reasons explained herein.

Consistent with the January 21, 1998 NANC Recommendation, the members of the Joint LLCs hereby unanimously request a change of the time period within which carriers must seek waivers of the Commission's deadline for deployment of long-term local number portability (LNP) in the Atlanta, GA, and Los Angeles, CA Metropolitan Statistical Areas (MSAs). Our request is for a one-time-only modification to the waiver filing period, is limited to these MSAs and relates only to delays in LNP deployment associated with the deferred availability of the Number Portability Administration Center/Service Management System (NPAC/SMS). Thus, individual carriers who seek waivers of the Commission's existing deadlines due to circumstances involving deployment of LNP capability within their own switches or other network elements should do so in accordance with existing waiver filing deadlines.

According to the Commission's LNP implementation schedule, LNP should be available in the seven "Phase 1" MSAs, including Atlanta and Los Angeles, no later than March 31, 1998.<sup>3</sup> The Commission's order requires that carriers seeking a waiver or extension of the deployment date must do so at least 60 days prior to the deployment date, or by January 30, 1998 for the Phase 1 MSAs.<sup>4</sup> Specifically, we ask that, with respect to the Atlanta and Los Angeles MSAs, the Commission extend that deadline until March 1, 1998, i.e., we ask that the 60 day "window" be shortened to 30 days, due to the extraordinary circumstances described below.<sup>5</sup>

---

<sup>3</sup> First Memorandum Opinion and Order on Reconsideration, *In the Matter of Telephone Number Portability*, CC Docket No. 95-116, Released March 11, 1997, (LNP Reconsideration Order) ¶ 78.

<sup>4</sup> *Id.* ¶ 82 (In order to receive a waiver of the schedule, carriers must "demonstrate, through substantial, credible evidence, at least sixty days before the completion deadline, the extraordinary circumstances beyond their control that leave them unable to comply with the schedule, including 'a detailed explanation of the activities that the carrier has undertaken to meet the implementation schedule prior to requesting an extension of time.'")

<sup>5</sup> The Joint LLCs understand that Western Region Telephone Number Portability, LLC, which selected Perot as the LNPA for the Western Region (which includes Minneapolis among the Phase 1 MSAs), plans to make a similar request. The Joint LLCs believe the relief sought for the Atlanta and Los Angeles MSAs is also appropriate for the Minneapolis MSA.

Briefly stated, the NPAC/SMS database and associated facilities needed for long-term LNP are not yet ready for Intercompany Testing, which must precede commercial LNP availability in the affected MSAs. The delay is due to the failure of the designated LNP Administrator (LNPA), Perot Systems Corporation (Perot) and its subcontractor Nortel to provide a stable software and hardware platform during Turn-Up Testing and Service Provider (SP) to SP NPAC Testing.<sup>6</sup>

Perot's latest project recovery proposal to the Joint LLCs would extend SP to SP NPAC Testing over six additional software loads through July 6, 1998. On its face, Perot's plan, if accepted by the Joint LLCs, will result in a significant impact to the FCC implementation schedule in these regions. However, the extent of the impact on the implementation schedule cannot yet be quantified. The Joint LLCs are currently evaluating the extent of the impact of the Perot proposal as well as other options which could potentially minimize the impact on the implementation schedule. This evaluation, while proceeding rapidly, requires additional time and effort by the Joint LLCs and cannot be concluded by the current Phase 1 MSA waiver filing deadline of January 30, 1998.

The Joint LLCs believe the Commission and those industry members who have not had direct, day-to-day contact with the development of the NPAC would benefit from a summary of the events which have led the Joint LLCs to make this request. In providing this summary, the Joint LLCs hope to accomplish two objectives. Our first aim is to comply with the Commission's directive to demonstrate the extraordinary circumstances beyond the control of carriers in the Atlanta and Los Angeles MSAs that leave them unable to comply with the LNP implementation schedule, including "a detailed explanation of the activities...undertaken to meet the implementation schedule prior to requesting an extension of time."<sup>7</sup> Secondly, we expect that this summary will demonstrate, and we would like to underscore, the remarkable level of cooperation among LLC members, including incumbent and new competitive carriers, who have worked diligently to bring the NPAC project back on track. Indeed, while retaining their separate and autonomous corporate structures for administrative and voting purposes, the Joint LLCs have functioned essentially as a single

---

<sup>6</sup> "Turn-Up Testing" as used in the Perot Amended Contracts (§ 8.4.5) involves three separate Phases. Phase 1 of Turn-Up Testing is consistent with the description of "Turn-up Testing" as used in the *NPAC System and Center Readiness LLC Reports to NANC*. Phases 2 and 3 of Turn-Up Testing essentially equate to the description of "SP to SP NPAC Testing" as that term is used in the *NPAC System and Center Readiness LLC Reports to NANC*. Phase 3, which includes stress testing, performance data, and disaster recovery, has never officially begun with Perot, in part because of the unresolved Problem Reports remaining from Phases 1 and 2 test results. The latest *NPAC System and Center Readiness LLC Report to NANC* is attached hereto.

<sup>7</sup> LNP Reconsideration Order, ¶ 82.

entity in coordinating activities among themselves and communications with Perot.<sup>8</sup>

As the Commission is aware, three LLCs separately selected Perot as the LNPA to provide NPAC/SMS services to their regions. Perot's selection in these regions was subsequently endorsed by NANC and approved by the Commission.<sup>9</sup>

Under the initial Master Contracts with each of the three LLCs, Perot was to provide NPAC/SMS services by October 1, 1997. As Turn-Up Testing was underway last summer, however, it became apparent that Perot and its subcontractor Nortel had not provided a stable software and hardware platform for testing, and by early September, 1997, it was clear that Perot could not meet the October 1, 1997 contract date.

Consequently, the LLCs redoubled their efforts to meet the Commission-mandated implementation date for Phase 1 MSAs. During September and October, the LLCs met collectively and repeatedly with Perot and Nortel to negotiate Amended Master Contracts that provided for a remarkable degree of industry cooperation. The Amended Contracts provided for testing on a six-days-per-week, 16-hours-per-day schedule, acknowledged the testing experience of NPAC Users (i.e., Service Providers) within a region who would subsequently test in another region, and established "staggered" testing start dates for so-called Group A, B and C Users in the three Phases of Turn-up Testing.<sup>10</sup> These Amended Contracts with Perot, effective October 22, 1997, called for Perot to meet the criteria for delivery of NPAC/SMS services by a new "Performance Date" expected to be no later than December 15, 1997.<sup>11</sup> It was expected that NPAC delivery by December 15, 1997 would still allow sufficient time to meet the Commission's Phase 1 MSA deadline. The Amended Contracts also substantially raised the penalties, in the form of Delay Credits, for which Perot would be liable for failing to meet significant testing milestones and failing to fulfill the Performance Date criteria by December 15, 1997. In addition, the

---

<sup>8</sup> This cooperation in regard to NPAC delays has been displayed by the members of all three LLCs in the affected regions: West Coast Portability Services, LLC, Southeast Number Portability Administration Company, LLC and Western Region Telephone Number Portability, LLC.

<sup>9</sup> Second Report and Order, *In the Matter of Telephone Number Portability*, CC Docket No. 95-116, Released August 18, 1997, ¶¶ 25-33.

<sup>10</sup> Group A Users were MCI and US West; Group B Users were AT&T, BellSouth, Illuminet and Sprint; Group C Users were GTE and Pacific Bell.

<sup>11</sup> Under the Amended Contracts, "Performance Date" is a defined term, i.e., the date by which Perot makes available an NPAC/SMS which complies fully with specifications and successfully passes Test Cases with a specified minimal number of defects present on that date.

Amended Contracts expanded the LLCs' rights to terminate arrangements with Perot.

In addition, as part of expanded LLC oversight demanded by the LLCs during contract renegotiations, the LLCs arranged and paid for a comprehensive audit of Perot/Nortel's management of the NPAC project. That audit was conducted by subject matter experts from LLC members and Sente Corporation at Nortel's facilities in Rochester, NY on November 3-4, 1997.<sup>12</sup>

Regrettably, the revamped testing schedule and staggered testing milestones for Group A, B and C Users did not bring about the anticipated level of improvements to the Perot/Nortel platform. A high number of significant Problem Reports (PRs) were identified by the Service Providers, and as December 15 loomed, it was clear that Perot would miss its contractual commitment again. On December 5, 1997, the LLCs sent Perot a letter outlining our concerns with NPAC timing and quality, asking Perot to acknowledge any inability to meet the Performance Date criteria by December 15, 1997 and provide a revised schedule. On December 10, 1997, Perot provided its first view of a plan to improve the quality of its NPAC software; that plan called for the NPAC to be available for intercompany testing in March, 1998. That plan was further discussed by the LLCs during a cross-regional meeting on December 11, 1997; Ms. Bonnie Baca, Co-chair of the Technical and Operational Requirements Task Force of the NANC LNPA Working Group, was invited to participate in that discussion via conference call. On December 15, 1997, the LLCs sent Perot a second letter, notifying Perot that its December 10 proposal did not conform with the delivery schedule and specifications in the Amended Contract. The LLCs also provided NANC a brief written status report for distribution at the December 16, 1997 NANC meeting.<sup>13</sup>

The LLCs also arranged for a meeting with Perot and Nortel executives to discuss the Sente Corporation audit findings and Perot's recovery plan. Before that meeting could take place, on December 19, 1997 Perot responded to the LLCs' letters, and on December 23, 1997 Perot released another project plan (revised somewhat again on December 30, 1997) which slipped the Performance Date even further. The December 30 plan calls for six additional software loads (Loads A through F) to be released for SP to SP NPAC Testing through July 6, 1998. The LLCs met with Perot and Nortel in Denver on January 8, 1998 for a frank discussion of the assumptions built into the "July delivery plan." Mr. Alan Hasselwander, NANC Chairman was present at the Denver meeting, and Ms.

---

<sup>12</sup> The LLCs would be willing to make the Sente Audit Report available to the Commission or its staff under protective seal upon request.

<sup>13</sup> Copies of the December 5 and December 15 LLC letters to Perot, the December 16 LLC Status Report to NANC, and the December 19 Perot reply to the LLCs are attached.

Marian Gordon, the Commission's delegate to NANC, participated via teleconference bridge.<sup>14</sup>

As a further outcome of the January 8 Denver meeting, the LLCs arranged for a System Architecture Review of the Perot/Nortel NPAC architecture, which took place in Nortel's Rochester facility on January 15-16, 1998.

As the foregoing "docudrama" indicates, the LLCs have been diligently working for the earliest possible delivery of NPAC/SMS services, while Perot's commitments to deliver have continued to slip, most significantly between December 10 and December 30. Users are continuing their testing of Perot/Nortel's current software, Load 71E. We are continuing our dialogue within the LLCs and with Perot at every level, including discussing the situation with Perot's Chairman, Mr. Ross Perot, who graciously asked to speak with the LLCs at a meeting in Dallas on January 20, 1998 and committed to personally explore alternatives which might potentially accelerate Perot's NPAC deployment.

Moreover, in a commitment to make LNP available at the earliest possible date, the LLCs have been considering the possibility of engaging the services of another NPAC/SMS vendor if the LLCs ultimately determine Perot cannot satisfy its obligations. The LLCs have asked for and are currently evaluating a high level estimate of time and costs for transition to the services of that vendor. In so doing, the LLCs have not and are not committing to establish a contractual relationship with that vendor.<sup>15</sup>

---

<sup>14</sup> Copies of the Perot/Nortel presentation materials from the January 8 meeting were provided to Mr. Hasselwander and Ms. Gordon, and additional copies can be provided to the Commission or its staff upon request to the LLCs.

<sup>15</sup> As the Commission is aware, currently the only other NPAC/SMS vendor is Lockheed Martin IMS. Some Joint LLC members are concerned about establishing Lockheed Martin IMS as a monopoly provider of NPAC services, in addition to Lockheed's role as the successor to Bellcore and regional incumbent LECs as North American Numbering Plan Administrator (NANPA) and CO Code Administrators, respectively. The Joint LLCs believe, consistent with ¶ 38 of the Second Report and Order, there is no Commission requirement for two or more NPAC vendors, although a duopoly may be preferable to a single vendor environment.

In addition, there has been some concern about how quickly the LLCs could change the current LNPA, if such a change becomes warranted. The Joint LLCs note that such a change in Commission approval of an LNPA is contemplated in ¶ 33 of the Second Report and Order. The Joint LLCs seek assurance that, if a vendor change becomes necessary to allow the timely availability of LNP in the affected regions, any regulatory or administrative action deemed necessary by the Commission to change the LNPA associated with specific regions under the Second Report and Order would occur without delay.



Mr. A. Richard Metzger  
Federal Communications Commission  
January 23, 1998  
Page 7

Clearly, the Joint LLCs are at a critical juncture in the LNP implementation process. All Joint LLC members agree that LNP will not be timely deployed in the Atlanta and Los Angeles MSAs due to Perot's delay. However, the extent of the delay is unclear at present. Due to the evolving status of our negotiations with Perot as well as the possibility of an agreement with another LNPA, any waiver request related to NPAC availability that is filed before the end of February would necessarily be based largely on speculation and conjecture. That is so because ongoing efforts to resolve the issues flowing from Perot's delay will not progress to the point where carriers will know the amount of time beyond March 31 (or any other MSA implementation date) that will be needed to meet the Commission's deployment deadlines. With the extension, however, the Joint LLCs will have the time necessary to gather more information on whether Perot will remain the LNPA for the affected regions, and thus, will be in a better position to meet the Commission's requirement to provide "substantial, credible evidence" of the "extraordinary circumstances" giving rise to a waiver request.

As previously stated, if granted, this extension of time would in no way affect each carrier's obligation to have its own network prepared to deploy LNP within the Phase 1 MSAs by March 31, 1998, in compliance with the Commission's schedule. Waiver requests for carriers' specific switches in Phase 1 MSAs must be filed by the current deadline of January 30, 1998.

For these reasons, the Joint LLCs respectfully request that the Commission change the period of time during which an NPAC-related waiver for the Atlanta and Los Angeles MSAs may be requested from sixty days prior to the LNP implementation deadline (January 30, 1998), to thirty days prior to the LNP implementation deadline, or March 1, 1998.

Respectfully submitted,

/s/ Richard Scheer  
Richard Scheer, Chair  
West Coast Portability Services, LLC

/s/ Pamela Connell  
Pamela Connell, President  
Southeast Region Number Portability Administration Company, LLC

**Mr. A. Richard Metzger**  
**Federal Communications Commission**  
**January 23, 1998**  
**Page 8**

**cc: Mr. John Muleta**  
**Ms. Geraldine Matise**  
**Ms. Marian Gordon**  
**Ms. Jeannie Grimes**  
**Mr. Andre Rausch**  
**Mr. Patrick Forester**  
**Mr. John M. Leutza, California Public Utilities Commission**  
**Ms. Risa Hernandez, California Public Utilities Commission**  
**Mr. Ken Ellison, Georgia Public Service Commission**  
**Mr. John Bavis, Perot Systems Corporation**

**Attachments:**

- A. Text of December 5, 1997 LLC Letter to Perot**
- B. Text of December 15, 1997 LLC Letter to Perot**
- C. December 16, 1997 LLC Status Report to NANC**
- D. Text of December 19, 1997 Perot Letter to LLCs**
- E. January 20, 1998 NPAC System and Center Readiness LLC Reports to NANC**

**December 5, 1997**

**Via Facsimile, Email, and Overnight Delivery**

**John Bavis  
Perot Systems Corporation  
1801 Robert Fulton Drive, Suite 200  
Reston, VA 20191**

**Dear John:**

**We are writing to you on a joint, three-region basis to recap some recent timing and quality issues associated with Users' turn-up testing of the Perot NPAC/SMS. It is our understanding that you are getting accurate reports of that testing from Perot and Nortel personnel. However, we thought it best to write to you directly as well, because it is clear at this point that the NPAC/SMS is not being made available by Perot for testing on the schedule for the phases of turn-up testing specified in the renegotiated contracts for the three regions, nor is the NPAC/SMS software free of defects at the minimum level and at the milestone dates specified in those contracts.**

**Under the renegotiated contracts, the two Group A testers (MCI and US West) were scheduled to begin Phase 2 turn-up testing on November 10th. That Phase 2 starting date had as a predicate the successful completion by the Group A testers of all Phase 1 test cases, and the successful completion of product validation testing by Perot, no later than November 9th. We recognize that the NPAC/SMS software currently being tested by Users is significantly improved over the version that Users were testing in the summer (which was to be expected, since one of the primary reasons for delaying the testing and scheduled commercial availability of the NPAC/SMS was to give Perot and Nortel time to fix the numerous problems present with the earlier software load). However, as of November 11th, the NPAC/SMS software had 8 open PRs (5 PRs for MCI, and 5 PRs for US West, with 2 duplicates) remaining from the Phase 1 testing. In addition, Perot's Phase 2 product validation testing yielded at least two new PRs, and some Phase 2 test cases could not be run at all on Perot's product validation testing platform.**

**As you are aware, MCI and US West nevertheless agreed to move forward into Phase 2 testing, despite these deficiencies. Group B and Group C testers experienced similar problems, and yet also agreed to proceed into Phase 2 testing. All these Users have done so in order to spare no effort to keep the turn-up testing on track, so that the testing can be successfully completed, and the NPAC/SMS can be delivered as scheduled on December 15, 1997.**

**Attachment A: Text of December 5, 1997 LLC Letter to Perot**  
**Page 2 of 3**

The turn-up testing reached another important milestone date earlier this week, when the Group A, B, and C testers were all supposed to be able to move into Phase 3 testing, pursuant to the renegotiated contract. That movement did not occur. As of the date of this letter, Perot has not yet completed the Phase 3 product validation tests successfully, nor has it delivered the required documentation associated with Phase 3 testing, including product validation test results, the Phase 3 general software release documentation, or the Phase 3 User test plan and test scripts. Moreover, there are over 90 open PRs remaining from Phase 1 and 2 testing by the Group A, B, and C testers.

Faced with this level of noncompliance, the Group A, B, and C testers have not been willing to proceed to Phase 3 testing. We understand that Perot hopes to complete product validation testing late today; that the new software release scheduled for loading on Sunday, December 7th is expected to fix 20 of the open PRs; and that Perot would like the Group A, B, and C testers to begin Phase 3 testing on Monday, December 8th.

As we have done throughout the contract renegotiation and testing process, we will continue to cooperate and to seek the most efficient and effective means to bring the NPAC/SMS to commercial availability at the earliest possible date. By doing so, however, we have not and do not waive any rights or remedies we may possess under the renegotiated contract, including the right to receive delay credits from and after missed milestone dates.

We urge you to redouble Perot's and Nortel's efforts, and to get the testing back on track, in order to allow us to complete the turn-up testing successfully, so that the NPAC/SMS can be made commercially available on or before December 15, 1997. If you believe, either now or at any time prior to December 15th, that the December 15th commercial availability date is unrealistic or infeasible, please (1) immediately notify the Chair/President and the Project Executive of each region of that belief in writing, and (2) provide Perot's best written estimate of a revised schedule with which Perot and Nortel can comply. Please also provide, no later than Wednesday, December 10th, a written schedule showing when each of the open PRs will be fixed, based on Perot's and Nortel's best current information and judgment.

Sincerely yours,

**(signed)**

Stephen P. Bowen

On Behalf of the Chairs/Presidents of:  
West Coast Portability Services, LLC

**Attachment A: Text of December 5, 1997 LLC Letter to Perot**  
**Page 3 of 3**

**Western Region Telephone Number Portability, LLC**  
**Southeast Number Portability Administration Company, LLC**

cc: **Chairs/Presidents of the three Regional LLCs**  
**David Lee, Esq. (Hughes & Luce)**

**Attachment B: Text of December 15, 1997 LLC Letter to Perot**  
**Page 1 of 2**

**December 15, 1997**

**Via Facsimile, Email, and Overnight Delivery**

**John Bavis  
Perot Systems Corporation  
1801 Robert Fulton Drive, Suite 200  
Reston, VA 20191**

**Dear John:**

**We are writing to you on a joint, three-region basis to provide our initial response to the revised turn-up testing schedule proposed by Perot Systems at the meeting/conference call held on Wednesday, December 10, 1997. Each region's LLC has been discussing your proposal, and will continue to do so. We do not intend to renegotiate and change the Master Contract again to reflect any modifications to the obligations, software delivery dates, or testing dates contained in the current version of the Master Contract. Instead, we want to work with Perot to understand more fully when Perot will be able to deliver software loads, engage in the remaining turn-up testing with Service Providers, and meet its other obligations under the Master Contract.**

**We note that Section 8.4.1 of the Master Contract requires Perot to notify each LLC in writing when each testing Deliverable is completed, and then requires each LLC to notify Perot in writing of any perceived defect and/or nonconformance with the Specifications within five business days. Perot's proposed revised turn-up testing schedule does not constitute a notification under Section 8.4.1, in part because your proposal on its face makes it clear that Perot is not delivering Deliverables pursuant to the schedule in the Master Contract. Out of an abundance of caution, however, we hereby inform Perot that Perot's proposed revised turn-up testing schedule does not conform with the Specifications and delivery schedules in the Master Contract. We will respond more fully to your proposal when each LLC has completed its review and consideration of that proposal.**

**We also note that Section 19.2 of the Master Contract for each region provides each LLC with the right to terminate the agreement if certain conditions are not met by Perot. The first right of termination ripened on November 9, 1997. While we have not yet exercised that termination right, we want to make it clear that we have not waived that termination right. The second termination right ripens today. While we are not exercising that termination right at this time, we also want to make it clear that we are not waiving that termination right.**

**Sincerely yours,**

***(signed)***

**Stephen P. Bowen**

**On Behalf of the Chairs/Presidents of:**

**West Coast Portability Services, LLC**

**Western Region Telephone Number Portability, LLC**

**Southeast Number Portability Administration Company, LLC**

**cc: Chairs/Presidents of the three Regional LLCs**  
**David Lee, Esq. (Hughes & Luce)**

**STATUS OF THE PEROT SYSTEMS NPAC/SMS**

This information is provided by West Coast Portability Services, LLC, Western Region Telephone Number Portability, LLC and Southeast Number Portability Administration Company, LLC.

On December 10, 1997, a conference call was held between Perot Systems and the members of the West Coast, Western, and Southeast LLCs. The purpose of the call was for Perot Systems to provide to the LLCs the status of the NPAC/SMS. Perot Systems advised the LLCs that the negotiated delivery date of December 15, 1997, cannot be met. This slip in delivery date is due to Perot Systems' failure to provide a stable software and hardware platform.

Commercial porting cannot commence without a fully operational NPAC/SMS. Thus, late delivery of the NPAC/SMS may impact the LNP MSA schedule. The service providers are currently evaluating the effects of the delay. A report will be provided to the NANC and the FCC upon completion of that evaluation.



**Attachment D: Text of December 19, 1997 Perot Letter to LLCs**  
**Page 1 of 2**

**December 19, 1997**

**Via Facsimile, Email, and Overnight Delivery**

**Steve Bowen, Esq.  
Blumenfeld & Cohen  
4 Embarcadero Center Suite 1170  
San Francisco, CA 94111**

**Dear Steve,**

**I am writing to you as the point of contact for the most recent joint LLC correspondence. As you are aware, problems with the most recent release of the software (Release 71) have impacted the schedule I outlined during the joint LLC conference call last week. We are diligently pursuing several corrective measures to bring this project back on track in the most expeditious and successful manner. The alternatives that we are currently considering are as follows:**

- \* terminate the Nortel subcontract and have the development and testing activities assumed by Perot Systems**
- \* lease or purchase Lockheed Martin's NPAC software**
- \* continue with Nortel and have Perot Systems assume all development and testing management activities**

**We are under the assumption that delivery of a fully operational NPAC in the most timely manner is the number one objective of the LLCs.**

**Based on this assumption, the third alternative would allow the implementation of the NPAC more quickly than the other alternatives.**

**I would like to discuss all of these alternatives during the joint LLC conference call scheduled for December 23, 1997.**

**Based on the request of the Service Providers we will not be addressing the problem reports in a Load A/B structure. We are currently developing a project plan that will contain releases on a more frequent basis than the current monthly release plan. This plan will contain the assumptions, risks and contingencies in sufficient detail to demonstrate that the project commitments can be attained. A draft of this plan will be available to the LLCs prior to the conference call. The final project plan and metrics will be delivered to the LLCs on December 30, 1997.**